

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

REGULATORY BASIS FINANCIAL STATEMENT AND

INDEPENDENT AUDITORS' REPORT

Year Ended June 30, 2014

ALDRICH AND COMPANY LLC  
CERTIFIED PUBLIC ACCOUNTANTS  
COUNCIL GROVE, KANSAS

Unified School District No. 251  
North Lyon County

REGULATORY BASIS FINANCIAL STATEMENT  
For the Fiscal Year Ended June 30, 2014  
Table of Contents

	<u>Page Number</u>
Independent Auditor's Report	1-2
Summary Statement of Receipts, Expenditures, and Unencumbered Cash	3
Notes to the Financial Statement	4-8
Regulatory-Required Supplementary Information:	
Schedule 1 - Summary of Expenditures - Actual and Budget	9
Schedule 2 - Schedule of Receipts and Expenditures	
General Fund	10
Supplemental General	11
At Risk	12
Capital Outlay	13
Contingency Reserve	14
Driver Training	15
Food Service	16
Professional Development	17
Special Education	18
Vocational Education	19
KPERs Retirement	20
Title I	21
Title II A – Improving Teacher Quality	21
Gifts and Grants	22
Rural & Small Schools	23
Character Education	23
After School Program	23
Textbook Rental	23
Alumni	24
Men's Club	24
NHHS Henning	24
NHHS Shreeley	24
NHHS Pruitt	24
NHHS Mounkes	24
Schedule 3 - Schedule of Receipts and Cash Disbursements - Agency Funds	25
Schedule 4 - Schedule of Receipts, Expenditures, and Unencumbered Cash - District Activity Funds	26

## Independent Auditor's Report

Board of Education  
Unified School District No. 251  
Americus, KS

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District No. 251, North Lyon County, Kansas as of and for the year ended June 30, 2014 and the related notes to the financial statement.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the Kansas Municipal Audit and Accounting Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Basis for Adverse Opinion on the U.S. Generally Accepted Accounting Principles**

As described in Note 1 of the financial statement, USD 251 prepared this financial statement to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Adverse Opinion on the U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 251, North Lyon County, as of June 30, 2014, or the changes in its financial position or cash flows for the year then ended.

**Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 251, North Lyon County as of June 30, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, agency funds summary of receipts and disbursements, and district activity funds schedule of receipts and expenditures (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, but are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. In addition, certain prior year actual information has been presented for a comparative analysis and is not a required part of the basic financial statement. This comparative information has been derived from the District's June 30, 2013 basic financial statement and, in our report dated December 16, 2013 we expressed an unmodified opinion on the financial statement and respective schedules, taken as a whole, on the regulatory basis of accounting. The June 30, 2013 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. All supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the June 30, 2013 and 2014 basic financial statement. The June 30, 2013 and 2014 information has been subjected to the auditing procedures applied in the audit of the respective basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the June 30, 2013 and 2014 information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

*Aldrich & Company, LLC*

Aldrich & Company LLC  
Certified Public Accountants  
November 20, 2014

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Summary Statement of Receipts, Expenditures, and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2014

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds						
General Fund	\$ 0	\$ 3,686,391	\$ 3,686,391	\$ 0	\$ 0	\$ 0
Supplemental General Fund	69,995	1,224,720	1,227,774	66,941	0	66,941
Special Purpose Funds						
At Risk	0	426,686	426,686	0	0	0
Capital Outlay	531,006	471,922	292,460	710,468	22,069	732,537
Contingency Reserve	216,536	0	0	216,536	0	216,536
Driver Training	16,125	29,306	33,550	11,881	0	11,881
Food Service	82,822	247,216	262,546	67,492	0	67,492
Professional Development	19,094	15,120	30,315	3,899	0	3,899
Special Education	179,192	604,673	615,176	168,689	0	168,689
Vocational Education	32,830	14,760	26,958	20,632	0	20,632
KPERS Retirement	0	287,133	287,133	0	0	0
Title I	0	75,082	75,082	0	0	0
Title II - Improving Teacher Quality	0	23,574	23,574	0	0	0
Gifts & Grants	1,187	172	0	1,359	0	1,359
Rural & Small Schools	0	0	0	0	0	0
Character Education	102	0	0	102	0	102
Afterschool Program	1,117	5,456	4,304	2,269	0	2,269
Textbook Rental	53,857	14,190	53,890	14,157	0	14,157
District Activity Funds	27,788	78,959	75,171	31,576	0	31,576
Trust Funds						
Private Purpose Trust Funds	8,096	701	900	7,897	0	7,897
Total Reporting Entity						
(Excluding Agency Funds)	<u>\$ 1,239,747</u>	<u>\$ 7,206,061</u>	<u>\$ 7,121,910</u>	<u>\$ 1,323,898</u>	<u>\$ 22,069</u>	<u>\$ 1,345,967</u>
Checking Account - Kansasland Bank						\$ 1,146,035
Money Market - Kansasland Bank						161,471
Men's Club Scholarship Savings						742
Men's Club Scholarship CD						5,000
Checking Account - Americus School Activity - Kansasland Bank						11,424
Checking Account - Reading School Activity - Reading State Bank						4,851
Checking & CD Accounts - Northern Heights Activity - Kansasland Bank						<u>40,225</u>
Total Cash						1,369,748
Less: Agency Funds per Schedule 3						<u>(23,781)</u>
Total Reporting Entity ( Excluding Agency Funds)						<u>\$ 1,345,967</u>

The accompanying notes are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

NOTES TO THE FINANCIAL STATEMENT  
June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unified School District No. 251 (USD 251), North Lyon County has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The more significant of the district's accounting policies are described below.

Financial Reporting Entity

Unified School District No. 251 was organized in accordance with State Statutes to provide a system of public education to elementary through high school students who reside within the designated District areas. USD No. 251 is a municipal corporation governed by an elected seven-member board of education. The District's financial statement does not include any related municipal entities.

Regulatory Basis Fund Types

The accounts of the District are organized and operated on the basis of funds, which are used to record the District's financial transactions. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Cash and other financial resources are recorded together with all related expenditures. A fund is used to segregate specific activities and for the purpose of attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the District.

General Funds - the chief operating fund. Used to account for all financial resources except those required to be accounted for in another fund.

Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific revenue sources (other than capital projects and tax levies for long-term debt) that are intended for specified purposes.

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency funds – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (student organization accounts, etc.)

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

Reimbursements

USD 251 records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are treated as a budget credit.

Use of Estimates

The preparation of financial statements in conformity with the regulatory basis of accounting requires management to make estimates and assumptions that affect the reported amounts of cash receipts, cash expenditures, cash and unencumbered cash balances at the date of the financial statement. Accordingly, actual results could differ from those estimates.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

NOTES TO THE FINANCIAL STATEMENT  
June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

Ad Valorem Tax Revenues

The determination of assessed valuations and collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. One-half of the property taxes are due December 20 prior to the fiscal year for which they are budgeted and the second half is due the following May 10. This procedure eliminates the need to issue tax anticipation notes since funds will be on hand prior to the beginning of each fiscal year.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding eighteen month period on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were no such amendments this year.

After the above procedures have been followed; the Kansas State Board of Education computes the maximum legal general fund of operating expenses. For the fiscal year ended June 30, 2014, the State calculation of the legal maximum general fund budget was \$3,604,747. In accordance with Kansas statutes, a district is penalized state aid equal to the amount expended in excess of the computed statutory limitation plus any qualifying budget credits. The District was within its maximum legal general fund budget authority for the fiscal year ended June 30, 2014.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, trust funds and the following special purpose funds: Contingency Reserve, Title I, Title II – Improving Teacher Quality, Grants & Donations, Rural and Small Schools, Character Education, Afterschool Program, and Textbook Rental.

Spending in funds, which are not subject to the legal annual operating budget requirements are controlled by federal regulations, by other statutes, or by use of internal spending limits established by the governing body.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

NOTES TO THE FINANCIAL STATEMENT  
June 30, 2014

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT)

Compliance with Finance-Related Legal and Contractual Obligations

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and Reports, Department of Education, and interpretation by the County Attorney and legal representatives of the municipality.

Management is not aware of any regulatory violations for the period covered by this audit.

State and Federal Aid Compliance

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass through aid. The disbursement of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the governmental agency. Any disallowed claim resulting from such audit could become a liability of the General Fund or other applicable fund. However, in the opinion of management, any such disallowed claim would not have a material effect on the financial statements of the District at June 30, 2014.

NOTE 3 - DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories that may be used by the District. The statute requires banks eligible to hold the Government's funds have a main or branch bank in the county in which the Government is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate or return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Government's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Custodial credit risk – deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2014.

At June 30, 2014, the carrying amount of the District's deposits was \$1,369,748 and the bank balance was \$1,579,506. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$313,385 was covered by FDIC insurance and the remaining \$1,266,121 was collateralized by pledged securities held under joint custody receipts issued by banks within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka in the District's name.

NOTE 4 – IN SUBSTANCE RECEIPT IN TRANSIT

The District received \$99,789 in the general fund and \$11,045 in the supplemental general fund subsequent to June 30, 2014 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2014.



UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

NOTES TO THE FINANCIAL STATEMENT  
June 30, 2014

NOTE 5 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Insurance claims have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from coverage in prior years

NOTE 6 - DEFINED BENEFIT PENSION PLAN

Plan Description - USD 251, North Lyon County participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy - K.S.A. 74-4919 and K.S.A. 74-4921 establishes the KPERS member-employee contribution rates. Effective July 1, 2009, KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes member-employee contribution rate at 4% of covered salary for Tier 1 members with the rate increasing to 5% on January 1, 2014 and at 6% of covered salary for Tier 2 members. Member employee's contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code.

NOTE 7 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Compensated Absences

Full-time twelve month employees annually earn vacation as follows: One through five years of employment: Ten days; Six through fifteen years: fifteen days; and sixteen or more years: twenty days. Vacation time is non-accumulative and must be used by July 1<sup>st</sup> of the following year.

Full-time twelve month employees are granted twelve days of sick leave and all other employees are granted ten days of sick leave on the first day of his/her contract. Up to 60 days may be accumulated. No compensation is provided if the 60 day accumulation is not used. One-half of the accumulated time over 60 days is bought back by the District at the substitute teacher rate for certified staff and at the daily salary rate for classified employees. The balance over 60 days is forfeited.

A sick leave bank was established in 1989 to provide temporary relief from loss of pay due to severe illness, accident or major surgery. Employees may contribute one day of sick leave to the bank per year for use by an employee who qualifies, has used all of his or her sick leave and is selected by a committee. The maximum number of sick leave days which can be held in the sick leave bank is 220 days.

Employees are granted two days of personal leave per school year for the first ten years of employment with a maximum five days accumulation. Employees who have worked for the District eleven years or longer receive three days per year with a maximum six days accumulation.

The district recognizes these benefits as paid. No provision has been made for accumulated paid leave in this financial statement.

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

NOTES TO THE FINANCIAL STATEMENT  
June 30, 2014

NOTE 8 - TRANSFERS

Inter-fund transfers during the fiscal year ended June 30, 2014 consisted of the following:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Statute</u>
General	Drivers Training	\$ 7,391	72-6428
General	Special Education	512,599	72-6428
General	At Risk K-12	426,686	72-6428
Supplemental General	Drivers Training	16,341	72-6433
Supplemental General	Professional Development	15,000	72-6433
Supplemental General	Special Education	30,788	72-6433

NOTE 9 – LEASE PURCHASE

Energy Efficient Lighting Upgrades

In March 2012, the District entered into a lease with Excel Energy Group, Inc. for the purchase of energy efficient lighting upgrades. The amount financed was \$134,220. The lease carries an annual interest rate of 4.7%. Twelve semi-annual payments of \$12,966 beginning September 15, 2012 are scheduled. Payments are scheduled from the Capital outlay fund.

Changes in long term debt are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments</u>	<u>Ending Balance</u>	<u>Interest Paid</u>
Excel lease	<u>\$ 93,566</u>	<u>\$ 0</u>	<u>\$ 21,788</u>	<u>\$ 71,778</u>	<u>\$4,144</u>

Maturities of the loan for the next five fiscal years and in five year increments thereafter are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	22,824	3,108	25,932
2016	23,909	2,023	25,932
2017	25,045	887	25,932
Total	<u>\$ 71,778</u>	<u>\$ 6,018</u>	<u>\$ 77,796</u>

REGULATORY-REQUIRED

SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 1

Schedule of Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014

Governmental Type Funds	Certified Budget	Adjustment to Comply With Legal Max.	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Fund	\$ 3,666,441	\$ (61,694)	\$ 81,644	\$ 3,686,391	\$ 3,686,391	\$ 0
Supplemental General Fund	1,248,312	(20,538)		1,227,774	1,227,774	0
Special Purpose Funds						
At Risk	440,000			440,000	426,686	(13,314)
Capital Outlay	900,000			900,000	292,460	(607,540)
Driver Training	33,550			33,550	33,550	0
Food Service	328,500			328,500	262,546	(65,954)
Professional Development	30,071			30,071	30,315	244
Special Education	619,792			619,792	615,176	(4,616)
Vocational Education	40,000			40,000	26,958	(13,042)
KPERS Retirement	293,675			293,675	287,133	(6,542)

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2A

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

GENERAL FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Lyon, Osage & Wabaunsee County	\$ 577,943	\$ 1,172,177	\$ 1,108,890	\$ 63,287
Federal Aid	0	0	0	0
State Aid	2,565,845	1,959,092	2,082,551	(123,459)
Special Ed Pass Through	441,288	473,478	475,000	(1,522)
Reimbursed expense	47,753	81,644	0	81,644
Total Receipts	3,632,829	3,686,391	3,666,441	19,950
Expenditures				
Instruction	1,572,383	1,601,059	1,607,143	(6,084)
Student Support	178,948	185,266	179,050	6,216
Instructional Support	132,069	110,563	127,490	(16,927)
General Administration	218,551	321,897	212,136	109,761
School Administration	333,843	318,179	334,772	(16,593)
Central Services	39,153	6,206	37,000	(30,794)
Operations & Maintenance	170,725	173,224	167,850	5,374
Other Supplemental Service/Community Serv	14,883	23,321	14,000	9,321
Operating Transfers	972,274	946,676	987,000	(40,324)
Adjustment to comply with legal maximum	0	0	(61,694)	61,694
Total legal general fund budget	3,632,829	3,686,391	3,604,747	81,644
Adjustment for qualifying budget credits	0	0	81,644	(81,644)
Total Expenditures	3,632,829	3,686,391	\$ 3,686,391	\$ 0
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	0	0		
Unencumbered Cash, June 30	\$ 0	\$ 0		

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2B

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

SUPPLEMENTAL GENERAL FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Lyon, Osage & Wabaunsee County	\$ 887,943	\$ 919,002	\$ 872,581	\$ 46,421
Federal Aid	0	0	0	0
State Aid	347,522	305,718	305,737	(19)
Total Receipts	1,235,465	1,224,720	1,178,318	46,402
Expenditures				
Instruction	273,022	378,113	276,500	101,613
Instructional Support	0	0	0	0
General Administration	87,345	23,971	100,000	(76,029)
School Administration	0	0	0	0
Central Services	55,724	1,125	57,190	(56,065)
Operations & Maintenance	324,615	263,803	345,400	(81,597)
Student Transportation	395,054	498,633	417,881	80,752
Operating Transfers	86,187	62,129	51,341	10,788
Adjustment to comply with legal maximum	0	0	(20,538)	20,538
Total Expenditures	1,221,947	1,227,774	\$ 1,227,774	\$ 0
Receipts Over (Under) Expenditures	13,518	(3,054)		
Unencumbered Cash, July 1	56,477	69,995		
Unencumbered Cash, June 30	\$ 69,995	\$ 66,941		

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2C

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

AT RISK

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Other Revenue	\$ 0	\$ 0	\$ 0	\$ 0
Operating Transfers	<u>440,986</u>	<u>426,686</u>	<u>440,000</u>	<u>(13,314)</u>
Total Receipts	<u>440,986</u>	<u>426,686</u>	<u>440,000</u>	<u>(13,314)</u>
Expenditures				
Instruction	<u>440,986</u>	<u>426,686</u>	<u>440,000</u>	<u>(13,314)</u>
Total Expenditures	<u>440,986</u>	<u>426,686</u>	<u>\$ 440,000</u>	<u>\$ (13,314)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	<u>0</u>	<u>0</u>		
Unencumbered Cash, June 30	<u>\$ 0</u>	<u>\$ 0</u>		

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2D

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

CAPITAL OUTLAY

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Lyon, Osage & Wabaunsee County	\$ 258,965	\$ 460,383	\$ 490,410	\$ (30,027)
State Aid	0	0	0	0
Other Revenue	10,999	11,539	0	11,539
Operating transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Receipts	<u>269,964</u>	<u>471,922</u>	<u>490,410</u>	<u>(18,488)</u>
Expenditures				
Capital Outlay	<u>160,341</u>	<u>292,460</u>	<u>900,000</u>	<u>(607,540)</u>
Total Expenditures	<u>160,341</u>	<u>292,460</u>	<u>\$ 900,000</u>	<u>\$ (607,540)</u>
Receipts Over (Under) Expenditures	109,623	179,462		
Unencumbered Cash, July 1	<u>421,383</u>	<u>531,006</u>		
Unencumbered Cash, June 30	<u>\$ 531,006</u>	<u>\$ 710,468</u>		

See Accompanying Auditors' Report.



UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2E

Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

CONTINGENCY RESERVE

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers	\$ 0	\$ 0
Expenditures		
Repairs	0	0
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, July 1	216,536	216,536
Unencumbered Cash, June 30	\$ 216,536	\$ 216,536

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2F

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

DRIVER TRAINING

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 2,325	\$ 2,635	\$ 4,140	\$ (1,505)
Fees	1,855	2,939	0	2,939
Interest	0	0	0	0
Other Revenue	0	0	0	0
Operating Transfers	<u>30,000</u>	<u>23,732</u>	<u>26,341</u>	<u>(2,609)</u>
Total Receipts	<u>34,180</u>	<u>29,306</u>	<u>30,481</u>	<u>(1,175)</u>
Expenditures				
Instruction	30,225	29,758	30,400	(642)
Vehicle Operation	<u>3,125</u>	<u>3,792</u>	<u>3,150</u>	<u>642</u>
Total Expenditures	<u>33,350</u>	<u>33,550</u>	<u>\$ 33,550</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	830	(4,244)		
Unencumbered Cash, July 1	<u>15,295</u>	<u>16,125</u>		
Unencumbered Cash, June 30	<u>\$ 16,125</u>	<u>\$ 11,881</u>		

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2G

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

FOOD SERVICE

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 2,717	\$ 2,702	\$ 2,356	\$ 346
Federal Aid	151,287	150,204	146,760	3,444
Meal Charges	91,812	94,310	109,074	(14,764)
Operating Transfers	40,000	0	40,000	(40,000)
Total Receipts	<u>285,816</u>	<u>247,216</u>	<u>298,190</u>	<u>(50,974)</u>
Expenditures				
Food Service	<u>287,115</u>	<u>262,546</u>	<u>328,500</u>	<u>(65,954)</u>
Total Expenditures	<u>287,115</u>	<u>262,546</u>	<u>\$ 328,500</u>	<u>\$ (65,954)</u>
Receipts Over (Under) Expenditures	(1,299)	(15,330)		
Unencumbered Cash, July 1	<u>84,121</u>	<u>82,822</u>		
Unencumbered Cash, June 30	<u>\$ 82,822</u>	<u>\$ 67,492</u>		

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2H

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

PROFESSIONAL DEVELOPMENT

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Other Revenue	\$ 0	\$ 120	\$ 0	\$ 120
Operating Transfers	<u>18,187</u>	<u>15,000</u>	<u>20,000</u>	<u>(5,000)</u>
Total Receipts	<u>18,187</u>	<u>15,120</u>	<u>20,000</u>	<u>(4,880)</u>
Expenditures				
Professional Development	<u>18,610</u>	<u>30,315</u>	<u>30,071</u>	<u>244</u>
Total Expenditures	<u>18,610</u>	<u>30,315</u>	<u>\$ 30,071</u>	<u>\$ 244</u>
Receipts Over (Under) Expenditures	(423)	(15,195)		
Unencumbered Cash, July 1	<u>19,517</u>	<u>19,094</u>		
Unencumbered Cash, June 30	<u>\$ 19,094</u>	<u>\$ 3,899</u>		

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2I

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

SPECIAL EDUCATION

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Other Revenues	\$ 81,970	\$ 61,286	\$ 79,000	\$ (17,714)
Federal Aid	0	0	0	0
Operating Transfers	<u>506,288</u>	<u>543,387</u>	<u>497,000</u>	<u>46,387</u>
Total Receipts	<u>588,258</u>	<u>604,673</u>	<u>576,000</u>	<u>28,673</u>
Expenditures				
Instruction	529,373	572,195	563,192	9,003
Transportation	<u>50,489</u>	<u>42,981</u>	<u>56,600</u>	<u>(13,619)</u>
Total Expenditures	<u>579,862</u>	<u>615,176</u>	<u>\$ 619,792</u>	<u>\$ (4,616)</u>
Receipts Over (Under) Expenditures	8,396	(10,503)		
Unencumbered Cash, July 1	<u>170,796</u>	<u>179,192</u>		
Unencumbered Cash, June 30	<u>\$ 179,192</u>	<u>\$ 168,689</u>		

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2J

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

VOCATIONAL EDUCATION

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Receipts				
Other Revenue	\$ 2,975	\$ 3,353	\$ 0	\$ 3,353
State Aid	12,528	11,407	12,528	(1,121)
Operating Transfers	<u>23,000</u>	<u>0</u>	<u>15,000</u>	<u>(15,000)</u>
Total Receipts	<u>38,503</u>	<u>14,760</u>	<u>27,528</u>	<u>(12,768)</u>
Expenditures				
Instruction	<u>37,874</u>	<u>26,958</u>	<u>40,000</u>	<u>(13,042)</u>
Total Expenditures	<u>37,874</u>	<u>26,958</u>	<u>\$ 40,000</u>	<u>\$ (13,042)</u>
Receipts Over (Under) Expenditures	629	(12,198)		
Unencumbered Cash, July 1	<u>32,201</u>	<u>32,830</u>		
Unencumbered Cash, June 30	<u>\$ 32,830</u>	<u>\$ 20,632</u>		

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2K

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

KPERS RETIREMENT

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
KPERS Employer Contributions	\$ 257,610	\$ 287,133	\$ 293,675	\$ (6,542)
Expenditures				
KPERS Employee Benefits	257,610	287,133	\$ 293,675	\$ (6,542)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	0	0		
Unencumbered Cash, June 30	\$ 0	\$ 0		

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2L

Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended June 30, 2014

	<u>TITLE I</u>	<u>TITLE IIA IMPROVING TEACHER QUALITY</u>
Receipts		
Federal Aid	\$ 75,082	\$ 23,574
Other	<u>0</u>	<u>0</u>
Total Receipts	<u>75,082</u>	<u>23,574</u>
Expenditures		
Instruction	75,082	0
Other	<u>0</u>	<u>23,574</u>
Total Expenditures	<u>75,082</u>	<u>23,574</u>
Receipts Over (Under) Expenditures	<u>0</u>	<u>0</u>
Unencumbered Cash, July 1	<u>0</u>	<u>0</u>
Unencumbered Cash, June 30	<u>\$ 0</u>	<u>\$ 0</u>

See Accompanying Auditors' Report.



UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2M

Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

GIFTS AND GRANTS

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	\$ 0	\$ 0
Other	89,871	172
Total Receipts	89,871	172
Expenditures		
Student Support	89,871	0
Total Expenditures	89,871	0
Receipts Over (Under) Expenditures	0	172
Unencumbered Cash, July 1	1,187	1,187
Unencumbered Cash, June 30	\$ 1,187	\$ 1,359

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 2N

Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended June 30, 2014

	<u>RURAL &amp; SMALL SCHOOLS</u>	<u>CHARACTER EDUCATION</u>	<u>AFTERSCHOOL PROGRAM</u>	<u>TEXTBOOK RENTAL</u>
Receipts				
Federal Aid	\$ 0	\$ 0	\$ 0	\$ 0
Fees & Donations	0	0	5,456	14,190
Transfers from other funds	0	0	0	0
Total Receipts	<u>0</u>	<u>0</u>	<u>5,456</u>	<u>14,190</u>
Expenditures				
Salaries, supplies & services	<u>0</u>	<u>0</u>	<u>4,304</u>	<u>53,890</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>4,304</u>	<u>53,890</u>
Receipts Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>1,152</u>	<u>(39,700)</u>
Unencumbered Cash, July 1	<u>0</u>	<u>102</u>	<u>1,117</u>	<u>53,857</u>
Unencumbered Cash, June 30	<u>\$ 0</u>	<u>\$ 102</u>	<u>\$ 2,269</u>	<u>\$ 14,157</u>

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 20

Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended June 30, 2014

TRUST FUNDS

	<u>Alumni</u>	<u>Men's Club</u>	<u>NHHS Henning</u>	<u>NHHS Sheeley</u>	<u>NHHS Pruitt</u>	<u>NHHS Mounkes</u>	<u>Total</u>
Receipts							
Donations	\$ 0	\$ 21	\$ 100	\$ 300	\$ 280	\$ 0	\$ 701
Other Revenues	0	0	0	0	0	0	0
Total Receipts	<u>0</u>	<u>21</u>	<u>100</u>	<u>300</u>	<u>280</u>	<u>0</u>	<u>701</u>
Expenditures							
Scholarships	<u>0</u>	<u>0</u>	<u>500</u>	<u>300</u>	<u>0</u>	<u>100</u>	<u>900</u>
Receipts Over (Under) Expend	<u>0</u>	<u>21</u>	<u>(400)</u>	<u>0</u>	<u>280</u>	<u>(100)</u>	<u>(199)</u>
Unencumbered Cash, July 1	<u>1,012</u>	<u>5,721</u>	<u>1,087</u>	<u>1</u>	<u>0</u>	<u>275</u>	<u>8,096</u>
Unencumbered Cash, June 30	<u>\$ 1,012</u>	<u>\$ 5,742</u>	<u>\$ 687</u>	<u>\$ 1</u>	<u>\$ 280</u>	<u>\$ 175</u>	<u>\$ 7,897</u>

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 3

Schedule of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2014

AGENCY FUNDS

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
NHHS				
Class of 2009	\$ 22	\$ 0	\$ 0	\$ 22
Class of 2010	474	0	0	474
Class of 2011	355	0	0	355
Class of 2012	1,352	0	0	1,352
Class of 2013	110	0	70	40
Class of 2014	552	996	1,548	0
Class of 2015	1,785	906	763	1,928
Class of 2016	0	4,218	834	3,384
Class of 2017	0	632	396	236
Art Club	0	84	54	30
Drill Team	505	0	505	0
FBLA	5,199	3,825	5,664	3,360
FCCLA	1,248	1,138	1,030	1,356
Flag Club	137	0	0	137
Chess Club	5	0	0	5
Industrial Arts Club	547	21	0	568
National Honor Society	4,417	127	146	4,398
Rodeo Club	354	0	0	354
Science Club	1,112	65	0	1,177
Student Council	865	969	1,096	738
Weight Lifting Club	705	909	1,025	589
	<u>19,744</u>	<u>13,890</u>	<u>13,131</u>	<u>20,503</u>
Americus				
8th Grade	211	2,351	1,826	736
FBLA	0	407	286	121
Pep Club	122	0	0	122
Stuco	950	1,233	1,190	993
	<u>1,283</u>	<u>3,991</u>	<u>3,302</u>	<u>1,972</u>
Reading				
Stuco	1,414	2,458	2,566	1,306
	<u>1,414</u>	<u>2,458</u>	<u>2,566</u>	<u>1,306</u>
Total Agency Funds	<u>\$ 22,441</u>	<u>\$ 20,339</u>	<u>\$ 18,999</u>	<u>\$ 23,781</u>

See Accompanying Auditors' Report.

UNIFIED SCHOOL DISTRICT NO. 251  
North Lyon County

Schedule 4

Schedule of Receipts, Expenditures, and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2014

DISTRICT ACTIVITY FUNDS

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts						
Northern Heights	\$ 2,794	\$ 27,643	\$ 25,927	\$ 4,510	\$ 0	\$ 4,510
Americus	3,303	13,562	10,235	6,630	0	6,630
Total Gate Receipts	<u>6,097</u>	<u>41,205</u>	<u>36,162</u>	<u>11,140</u>	<u>0</u>	<u>11,140</u>
School Projects						
High School						
Year Book	7,142	4,267	3,803	7,606	0	7,606
Concessions	61	12,132	10,608	1,585	0	1,585
Student Activities	3,989	3,129	5,303	1,815	0	1,815
Drama/Forensics	370	1,050	613	807	0	807
Industrial Arts	2,883	2,991	3,960	1,914	0	1,914
In-House Training	165	0	165	0	0	0
Library	5	25	0	30	0	30
Music	690	1,211	1,589	312	0	312
Americus						
Yearbook	7	0	0	7	0	7
Concessions	680	7,164	5,272	2,572	0	2,572
Music	232	4,505	4,495	242	0	242
Reading						
Yearbook	0	228	228	0	0	0
Concessions	1,454	1,052	1,263	1,243	0	1,243
Other Projects	4,013	0	1,710	2,303	0	2,303
Total School Projects	<u>21,691</u>	<u>37,754</u>	<u>39,009</u>	<u>20,436</u>	<u>0</u>	<u>20,436</u>
Total District Activity Funds	<u>\$ 27,788</u>	<u>\$ 78,959</u>	<u>\$ 75,171</u>	<u>\$ 31,576</u>	<u>\$ 0</u>	<u>\$ 31,576</u>

See Accompanying Auditors' Report.